

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0878-05
Bill No.: Truly Agreed To and Finally Passed SCS for HCS for HB 505
Subject: Children and Minors; Social Services Department; Crimes and Punishment;
Education, Elementary and Secondary; Education Department; Public Safety
Department
Type: Original
Date: June 3, 2013

Bill Summary: This proposal modifies provisions relating to child abuse and neglect.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections (DOC)** state the penalty provision component of this bill resulting in a potential fiscal impact for the DOC is for a class A felony. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender costs either through incarceration (FY 12 average of \$17,059 per offender, per day, or an annual cost of \$6,227 per inmate) or through supervision provided by the Board of Probation and Parole (FY 12 average of \$4,960 per offender, per day, or an annual cost of \$1,810 per offender).

Therefore, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Seventeen (17) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

Officials from the **Department of Elementary and Secondary Education (DESE)** state there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Oversight assumes any increase or decrease in fine or penalty revenues generated cannot be determined. Therefore, the fiscal note does not reflect any fine or penalty revenues for the local school districts.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the enhanced penalties for child abuse or neglect when the child dies as a result of the abuse or neglect. These cases would become new class A felonies.

ASSUMPTION (continued)

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Office of Attorney General (AGO)** state the proposal, in section 162.068.3, expands the pool of individuals who, under certain circumstances and upon request, the AGO is required to represent to include employees of charter schools. The number and complexity of such additional representation is unknown, and therefore, costs are unknown. The AGO will seek additional appropriation if there is a significant increase in requested representation.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Office of Administration (OA) - Office of Child Advocate**, the **OA - Children's Trust Fund**, the **Office of State Courts Administrator**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Health and Senior Services**, the **Department of Social Services**, the **Department of Public Safety - Missouri State Highway Patrol**, the **Missouri Department of Conservation** and the **Special School District** each assume the proposal would not fiscally impact their respective agencies.

In response to the previous version of this proposal, officials from the **Office of Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

ASSUMPTION (continued)

No additional schools or local law enforcement responded to **Oversight's** request for a statement of fiscal impact.

Officials from the **Office of Prosecution Services** did not respond to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014	FY 2015	FY 2016
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GENERAL REVENUE FUND

Costs - DOC

Additional incarceration and parole expenditures	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>
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ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND

<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>	<u>(Unknown, less than \$100,000)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2014	FY 2015	FY 2016
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal provides that if a child dies as result of injuries sustained from conduct chargeable under provisions of this proposal, it is a class A felony.

This proposal has an emergency clause for Sections 556.061 and 568.060.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.


HWC:LR:OD

SOURCES OF INFORMATION

Office of Attorney General
Office of Administration -
 Office of Child Advocate
 Children's Trust Fund
Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Health and Senior Services
Department of Social Services
Department of Public Safety -
 Missouri State Highway Patrol
Joint Committee on Administrative Rules
Missouri Department of Conservation
Office of Secretary of State
Office of State Public Defender
Special School District

Not Responding:

Office of Prosecution Services



Ross Strope
Acting Director
June 3, 2013